

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 0 — 0 4 1

2. STATE:

Louisiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2000

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: OBRA '90;
42 CFR 440.160; P.L. 101.508 Sections 4702-4703

7. FEDERAL BUDGET IMPACT:

a. FFY 2000 \$ 271.23b. FFY 2001 \$ 1096.32

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A, Item 1, Page 101(1)

Attachment 4.19-A, Item 14a

Attachment 4.19-A, Item 16

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

SAME (TN 00-23) Pending

SAME (TN 00-23) Pending

SAME (TN 00-23) Pending

10. SUBJECT OF AMENDMENT: The purpose of this amendment is to restore the seven percent (7%)
reduction previously made in the Medicaid prospective per diem rates for inpatient psychiatric
services. For Item 14a and Item 16, the language concerning cumulative DSH payments has been
rephrased to improve clarity. This is not a substantive change in DSH methodology.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED: The Governor does
not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

David W. Hood

14. TITLE:

Secretary

15. DATE SUBMITTED:

September 25, 2000

16. RETURN TO:

State of Louisiana
Department of Health and Hospitals
1201 Capitol Access Road
P.O. Box 91030
Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

07-29-00

18. DATE APPROVED:

JUNE 6, 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JULY 1, 2000

20. SIGNATURE OF REGIONAL OFFICIAL:

Sandra Hall

21. TYPED NAME:

for CALVIN G. CLINE

22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR
DIV OF MEDICAID AND STATE OPERATIONS

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

Attachment 4.19-A
Item 1, Page 101(1)

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - IN-PATIENT HOSPITAL CARE

CITATION
42 CFR
447.253

Medical and Remedial
Care and Services
Item 1 (cont'd.)

3. Effective March 1, 1994, a unit in a PPS exempt hospital which meets PPS exempt psychiatric unit criteria as specified II.B.2. shall also be considered a Distinct Part Psychiatric Unit included in the methodology described above.

G. Transplant Services

Routine operating costs and ancillary charges associated with an approved transplant are carved out of the hospital's cost report. Reimbursement is limited to the lesser of cost or the hospital-specific per diem limitation for each type of transplant.

Cost is defined as the hospital-specific ratio of cost to charges from the base period multiplied by the covered charges for the specific transplant type.

Per diem limitation is calculated by deriving the hospital's per diem for the transplant type from the hospital's base period trended forward using the Medicare target rate percentage for PPS-exempt hospitals each year.

The base period is the cost reporting period for the hospital fiscal year ending September 30, 1983 through August 31, 1984 or the first cost report filed subsequently that contains costs for that type of transplant.

STATE	Louisiana
DATE RECD	9-29-00
DATE APPLD	6-6-01
DATE EFF	7-1-00
HCFA 179	TN 00-41
A	

SUPERSEDES: TN - 00-23

00-41 Approval Date 6-6-01 Effective Date 7-1-00
Supersedes
TN# 00-23

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION Medical and Remedial
42 CFR Care and Services
440.160 Item 14a
OBRA-90
P.L.
101-508
Sections
4702-4703

Services for Individuals Age 65 or Older in Institutions for Mental Diseases are reimbursed as follows:

1. Reimbursement Methodology

- a. Payment is made at a prospective statewide per diem rate. The rate is based on the statewide weighted average cost per day, using cost reporting periods ending in 1991 as a base period and trended forward by the Health Care Financing Administration's (HCFA) target rate percentage for hospitals excluded from Medicare's prospective payment system (PPS). Rates for subsequent years will be updated annually effective January 1 of each year by increasing the previous year's per diem rate by HCFA's target rate percentage for non-PPS (PPS Exempt) hospitals/units for the applicable year. The subsequent application of the inflationary adjustment shall apply only in years when the state legislature allocates funds for this purpose. The inflationary adjustment shall be made by applying the inflation factor applicable to the current fiscal year to the most recently paid per diem rate.

2. Provisions for Disproportionate Share Payments

- a. Effective for services provided on or after July 1, 1988, hospitals qualifying as disproportionate share providers shall have payment adjustment factors applied in accordance with the guidelines outlined in Attachment 4.19-A, Item 1, Section D.
- b. In addition to the above adjustment, effective for services provided on or after March 1, 1993, hospitals qualifying as disproportionate share providers under the guidelines outlined in Attachment 4.19-A, Item 1, Section D.1.a-d, shall have a lump sum payment issued for disproportionate share adjustment under the provisions of Section E, based on Indigent Care Days.
- c. Effective July 1, 1994, disproportionate share payments for qualifying public hospitals shall be in accordance with the methodology outlined in Attachment 4.19-A, Item 1, Section 1.D and E. Public providers will no longer receive DSH payments under the methodology in Item 1, Section E.
- d. Disproportionate share payments cumulative for all DSH payments under the pools or any other DSH payment methodology shall not exceed the federal disproportionate share state allotment for each federal fiscal year established under Public Law 102-234.

STATE	Louisiana
DATE REC'D	9-29-00
DATE APPROV'D	6-6-01
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HCFA 170	TN 00-41
A	

Supersedes TN-00-23

TN# 00-41 Approval Date 6-6-01 Effective Date 7-1-00
Supersedes
TN# 00-23

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-A
Item 16

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION Medical and Remedial Inpatient Psychiatric Hospital Services for Individuals Under 21 are reimbursed
42 CFR Care and Services as follows:
440.160 Item 16
OBRA-90
P.L.
101-508
Sections
4702-4703

1. Reimbursement Methodology

- a. Payment is made at a prospective statewide prospective per diem rate. The rate is based on the statewide weighted average cost per day, using cost reporting periods ending in 1991 as a base period and trended forward by the Health Care Financing Administration's (HCFA's) target rate percentage for hospitals excluded from Medicare's prospective payment system (PPS). Rates for subsequent years will be updated annually effective January 1 of each year by increasing the previous year's per diem rate by HCFA's target rate percentage for non-PPS (PPS Exempt) hospitals/units for the applicable year. The subsequent application of the inflationary adjustment shall apply only in years when the state legislature allocates funds for this purpose. The inflationary adjustment shall be made by applying the inflation factor applicable to the current fiscal year to the most recently paid per diem rate.

2. Provisions for Disproportionate Share Payments

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SUPERSEDES: TN - 00-23

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